



**BMW Group Press Conference**  
**Canadian International Autoshow 2009**

**Statements by Lindsay S. Duffield, President & CEO, BMW Group Canada and Tom Baloga, Vice President, Engineering, BMW of North America**

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**LSD:** Good morning Ladies and Gentleman. Welcome to the BMW Group Canada press conference at the Canadian International Auto Show. My name is Lindsay Duffield, President & CEO of BMW Group Canada. I'm pleased to be joined by Mr. Tom Baloga, Vice President of Engineering for BMW Group North America.

Tom, thanks for joining us today.

**TB:** My pleasure Lindsay, I'm happy to be here.

**LSD:** Tom, as you know - much of the news in the automotive industry lately has been "glass half empty" focused. In Canada, the news isn't all bad. Last year, BMW Group Canada celebrated its 18<sup>th</sup> consecutive year of sales increases and we maintained our position as the #1 premium automotive company in Canada. Sales for the BMW and MINI brands were up 2%; BMW Motorrad (motorcycle) sales were up 8%; and our fuel efficient MINI brand sales were up an astonishing 33%.

**TB:** Speaking of fuel efficient MINIs, didn't you accept an award for MINI this morning?

**LSD:** Yes, the MINI Cooper and MINI Cooper Clubman have once again won the ecoEnergy award from Natural Resources Canada as the most fuel efficient cars in the subcompact class. With miserly highway fuel consumption as low as 5.3 L/ 100 km, its no surprise the Cooper has the lowest fuel economy in its segment.

The new MINI Cooper Convertible that will be available this spring and is on display in Horizon Blue at the MINI stand [point to MINI] is also being honoured with this award.

Tom, what's new with this next generation MINI Convertible?

**TB:** Well, the MINI Convertible has new, more powerful and more fuel efficient engines in both the Cooper and Cooper S. These are a new generation of four-cylinder engines that are equipped with Twin-Scroll turbochargers or fully variable valve management. This innovative technology allows a significant improvement in performance while simultaneously reducing both fuel consumption and CO2 emissions by up to 21% versus the former models.

**LSD:** How about safety? Are there any new safety enhancements with the new MINI Convertible?

**TB:** The MINI Convertible also offers a new level of safety. Dynamic Stability Control (DSC) is now featured as standard. DSC intervenes with the car's individual brakes and reduces engine output to provide extra stability, thus preventing the car from swerving out of control either at the front or at the rear under particularly dynamic conditions and on slippery surfaces. A new electromechanical anti-roll bar minimises body roll even in fast bends and makes the car safer and more agile.

**LSD:** You are the safety expert, but I'm also interested in the fun features. My favourite, which comes standard on all Canadian MINI Convertibles, is the Always Open Timer. It measures the number of hours you have been topless.

**TB:** Me, topless???

**LSD:** I mean the MINI's top of course.

There is another new car you can go topless in this spring and its one of the two new BMW cars that we will unveil today. Let's first get a glimpse of what's to come a little further down the road. Tom, lets look to the future.

**TB:** Lindsay, the future is right here. [car unveiled]. This is the BMW Concept 7 Series ActiveHybrid model. It is equipped with the BMW Group's hybrid drive train – which was developed and refined to suit the driving qualities of the new BMW 7 Series.

**LSD:** Tom, we read so much about different types of hybrids? Can you explain what type of hybrid this is and why has BMW waited until now to bring hybrids to the market place?

**TB:** Good questions. Actually, BMW will introduce two types of hybrids. First, we will bring the BMW X6 ActiveHybrid, a full hybrid later this year. In about one year, we will introduce a mild hybrid based on this Concept 7 Series ActiveHybrid. Some people may not know the difference between a full and mild hybrid. A full hybrid means the vehicle can drive with electric motor without using the engine to drive. A mild hybrid uses an electric motor to assist vehicle functions, but the engine is always used to drive.

The 7 Series hybrid drive train will provide exceptional driving dynamics true of BMW. We did not rush to market because we have been refining our hybrid technology to ensure we deliver a hybrid that stays true to our brand promise of the Ultimate Driving Experience. The BMW 7 Series ActiveHybrid will offer performance comparable to the new V8 BMW 7 Series.

This mild hybrid drive train also significantly reduces both fuel consumption and emissions by 15% in a variety of driving conditions.

**LSD:** How does it work?

**TB:** Like the new BMW 7 Series, the BMW Concept 7 Series ActiveHybrid has one of the most efficient 8-cylinder gasoline engines in its class. It is equipped with our new twin turbo technology and high precision injection.

Next, the car is further optimized with our BMW ActiveHybrid technology. A 20 horsepower electric motor is powered by regenerative braking and a battery and it guarantees the driver more torque and saves fuel consumption. We are also using highly innovative lithium-ion technology to store the unused energy to power on board electronic functions.

**LSD:** Why a mild hybrid in the 7 Series?

**TB:** BMW has created tailor-made solutions for each product segment. A mild hybrid approach suited the 7 Series because it provides efficiency in everyday driving without compromising driving dynamics and usability. While the X6 ActiveHybrid offers electric driving capability, this approach in the 7 Series would have led to additional weight and usability restrictions, without a corresponding customer advantage.

**LSD:** The BMW Concept 7 Series ActiveHybrid is based on our BMW 7 Series flag ship sedan that will be available in March. We are very proud of the Canadian content in the new 7 Series. The car's exterior was designed by a Montreal native, Karim Habib.

Our BMW hybrids are just one part of our environmental strategy called EfficientDynamics. EfficientDynamics is our approach to improving efficiency of each new vehicle while simultaneously improving performance. For example, our new high performance X5 and 3 Series diesels are 25 – 30% more fuel efficient than a comparable gasoline engine and are fun to drive.

**LSD:** Well Tom, let's move over to our second Canadian premiere and see what developments have been made there!

**LSD:** Ladies and Gentleman let us present to you the new BMW Z4.

[BMW Z4 unveiled ]

**LSD:** This new Z4 is a BMW roadster in its purest form. The Z4 is unique in its segment because it combines the typical BMW roadster proportions of [point out these elements of the car] short overhangs, long hood and low seating close to the rear axle with [top goes down] a two-piece retractable hardtop roof.

At the world premiere of the BMW Z4 in Detroit last month I had the pleasure of speaking with the two designers of this car. First, this car is unique because it is designed inside and out by two female designers, a first for BMW. Juliane Blasi is from our Munich design studio while Nadya Arnout is from our California studio. These two ladies combine the California lifestyle and the German precision to the design of the new Z4.

The new Z4 is BMW's first roadster built for Canada, with a retractable hardtop roof.

Tom, what is the advantage of the hardtop roof?

**TB:** Besides the fact that it will protect you from the Canadian elements, the hardtop improves rear visibility by 52% compared to the previous generation Z4. As you have seen, in just 20 seconds, one can switch from the comfort and protection of the hardtop to the freedom of the open air.

**LSD:** Thanks to the BMW design team, the new Z4 looks even more elegant and sporty, with the top up or down.

Tom, we can see the Z4's new elegant design but can you tell us about its driving dynamics and sporty character?

**TB:** Yes, customers have the choice between two in-line 6-cylinder engine variants - the Z4 sDrive30i with 255 horsepower and the Z4 sDrive35i with 300 horsepower.

The Z4 sDrive35i launches from 0 to 100 kms/ hour in just 5.3 seconds. Both models come standard with a 6 speed manual transmission, but the Z4 sDrive35i has the option of a 7 speed double clutch gearbox. It is equipped with the two time International Engine of the Year winner. The world's first in-line six-cylinder power unit to feature twin turbochargers, an all-aluminum crankcase and High Precision Injection.

**LSD:** How do you explain how High Precision Injection works?

**TB:** High Precision Injection is a key element in the Z4's efficient performance. Injecting fuel directly into the combustion chamber offers a cooling effect allowing a higher compression ratio and optimized combustion efficiency. This second generation of direct gasoline injection developed by BMW ensures significant benefits in fuel efficiency without restricting the dynamic qualities of the engine.

**LSD:** This new vehicle has Dynamic Driving Control – what is that?

**TB:** The Z4 boasts a variety of technical innovations, such as the “Dynamic Drive Control” function. Dynamic Drive Control varies the response of the accelerator, power steering and the level of DSC intervention to offer three different driving settings ranging from smooth to super-sporty.

**LSD:** Good looking and fun to drive – the new Z4 is sure to be another hit. Thanks Tom for joining us. Tom will be available after to answer your technical questions.

Ladies and Gentlemen, that concludes our press conference. Thank you very much for your attention.

We invite you to take a closer look at the new BMW Z4 and BMW Concept 7 Series ActiveHybrid and please enjoy the show.

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For media inquiries contact:

**BMW Group Canada  
Corporate Communications**

Stacy Morris, Specialist – Business, Marketing, Lifestyle, Auto Shows  
Office – 905-428-5076 / [stacy.morris@bmwgroup.ca](mailto:stacy.morris@bmwgroup.ca)

Robert Dexter, Specialist – Product and Technology  
Office – 905-428-5447 / [robert.dexter@bmwgroup.ca](mailto:robert.dexter@bmwgroup.ca)

Jochen Frey, Director – Corporate Communications  
Office – 905-428-5005 / [jochen.frey@bmwgroup.ca](mailto:jochen.frey@bmwgroup.ca)